

AGENDA



Thursday, October 16, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 19

Subject: Authorize award, negotiation, and execution of a 12-month requirements supply contract with TRANTER, INC., Wichita Falls, TX for the purchase of heat exchangers in an estimated amount not to exceed \$500,000, with three 12-month extension options in an estimated amount not to exceed \$500,000 per extension option, for a total estimated contract amount not to exceed \$2,000,000.

Amount and Source of Funding: Funding in the amount of \$458,333 is available in the Fiscal Year 2008-2009 Capital Budget of Austin Energy. Funding for the remaining one month of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: A fiscal note is attached.

For More Information: Karen Williams, Buyer II, 322-6467.

Purchasing Language: Sole proposal received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

Austin Energy (AE) provides chilled water services to customers from three district energy systems located within Austin. As customers are connected to the systems, AE requires the installation of heat exchangers at the point of service delivery and to hydraulically isolate AE's water from that of the customer.

This contract will supply heat exchangers for use in new customer connections. Heat exchangers are specifically designed for the transfer of thermal energy from one fluid to another in a highly efficient manner.

MBE/WBE solicited: 1/1 MBE/WBE bid: 0/0 PRICE ANALYSIS

- a. Sole proposal. There were two potential bidders identified, one who requested a copy of the solicitation with intent to submit a proposal, but chose not to bid since it was unable to meet the submission deadline. This vendor did not request an extension of the solicitation closing date.
- b. Thirty-three notices were sent, including one MBE and one WBE. One proposal was received.

APPROVAL JUSTIFICATION

- a. Sole proposal received.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.